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## THESIS

THE IMPACT OF THE SEPTEMBER 11, 2001  
TERRORIST ATTACKS ON U.S.-CHINA RELATIONS

by

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March 2003

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**THE IMPACT OF THE SEPTEMBER 11, 2001 TERRORIST ATTACKS ON  
U.S.- CHINA RELATIONS**

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Submitted in partial fulfillment of the  
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## **ABSTRACT**

The terrorist attacks of September 11, 2001 on the United States had minimal impact on U.S.-China relations. The attacks merely rearranged U.S. strategic priorities in Asia while having no effect on Chinese strategic priorities. Before September 11, U.S. strategic priorities in Asia were U.S.-China relations, and containing North Korean aggression and its development of Weapons of Mass Destruction (WMD). After September 11, U.S. strategic priorities in Asia became the U.S. war on terror (WOT), containing North Korean Aggression and its development of WMD, and U.S.-China relations. This reordering of priorities did not result from stabilizing U.S.-China relations, but rather because of the increased threat of international terrorism towards the United States and U.S. interests. The Chinese strategic priorities of regime stability, territorial integrity, and increasing international prestige and power, did not change because of the attacks. The change in U.S. strategic priorities in Asia made the U.S.-China relationship more stable. Going forward, the PRC is likely to favor stable relations with the United States as long as China does not consider the expanding United States presence in Asia, because of the U.S. WOT, an immediate threat to Chinese strategic priorities.

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I would like to thank my ancestors for having the courage to leave behind the ignorance and prejudice of 20<sup>th</sup> Century Europe for the enlightenment and freedom of America. Instead of being crushed in the pogroms of Russia, or incinerated in the death camps of Germany, my family was allowed to thrive in America and to return the favor by serving for three generations in the United States Army. That service allowed my family to participate in the liberation of Europe in World War II, witness the building of the Berlin Wall and its eventual demise, guarantee that aggression would not stand in Kuwait, and ensure the security and stability of the Republic of Korea. Such service should never be considered as the burden of free peoples, rather it is the privilege of a free people to be given the opportunity to contribute to their own freedom.

In this time of turmoil when our "allies" abandon us for their own selfish interests, we must remember our history. We must take comfort in the fact that we Americans have been correct in our international dealings more often than not and that the opposite is true for our European cousins. Thousands of American dead are buried in many a foreign field, all in the cause of freedom. Americans will continue to die in foreign fields to ensure that the American way of life is preserved and that the United States does not give in to the whims of dictators as has such countries as China, France, Germany, and Russia. No nation knows more about freedom than the United States and no people know better the high cost of freedom than Americans. It is my hope that the United States continues

to fight the good fight against evil even in the face of foreign ignorance. My ancestors would expect no less.

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## **I. INTRODUCTION**

The terrorist attacks on the United States on September 11, 2001 had a substantial impact on U.S. foreign relations with many nations. All countries on friendly terms with the United States expressed their outrage towards the terrorist incidents and showed support for the inevitable U.S. response. What was impossible to predict as the smoke cleared in the aftermath of the attacks was what the long-term impact on U.S. foreign policy would be as the United States shifted its strategic priorities to deal with the new terrorist menace.

In Asia, the People's Republic of China (PRC) was particularly concerned over the potential impact of the attacks on U.S.-China relations. Beijing knew that there would be an inevitable U.S. military response that likely would involve U.S. forces in Asia. As a status quo power, the PRC would prefer the disposition of U.S. power in Asia to remain constant. The PRC would consider any substantial increase in the U.S. military presence in Asia a threat. However, Beijing expressed its support for the United States in the wake of the attacks. President Jiang Zemin called President George W. Bush on September 12, 2001 offering the sympathies of the Chinese people and stating that China was "ready to strengthen dialogue and cooperation with the United States and the international community in the joint efforts in combating all sorts of terrorist violence."<sup>1</sup> Moreover in the weeks and months

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<sup>1</sup> "President Jiang Zemin Had a Telephone Conversation with U.S. President Bush," Ministry of Foreign Affairs of the People's Republic of China, September 13, 2001, [<http://www.fmprc.gov.cn/eng/17885.html>], January 30, 2003.

following the attacks, China helped create the Shanghai Cooperation Organization (SCO) anti-terrorism center, supported the Asia Pacific Economic Forum (APEC) declaration, and, within the United Nations (UN), ratified accession to the International Convention for the Suppression of Terrorist Bombings and signed the International Convention for the Suppression of Financing of Terrorism.<sup>2</sup> Additionally, Beijing used its influence with Pakistan to get the Musharraf government to give greater support to the United States.<sup>3</sup> However, it was difficult to determine whether the attacks of September 11 fundamentally changed the Sino-American relations, or if the show of PRC support was a short-term reaction.

#### **A. THESIS QUESTION**

The purpose of this thesis is to examine the impact of the September 11, 2001 terrorist attacks on U.S.-PRC relations. The major question this thesis analyzes is whether the terrorist attacks on the United States substantially changed U.S.-China relations and if so, how? What are the implications for the future?

The major argument this thesis makes is that the terrorist attacks did not substantially change U.S.-China relations. The attacks greatly altered U.S. strategic priorities but had little effect on China's strategic priorities. The United States rearranged its strategic priorities, having suffered the first major attack on U.S. territory since World War II, whereas the same was not true

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<sup>2</sup> Michael Szonyi, "The Effects of September 11 and Its Aftermath on China, and The Chinese Response," *Commentary* 81, April 18, 2002: 2, Canadian Security Intelligence Service.

<sup>3</sup> H. Lyman Miller, "Beijing and the American War on Terrorism," Center for Contemporary Conflict, *Strategic Insight*, July 1, 2002: 1, [<http://www.nps.navy.mil/rsepResources/si/july02/eastAsia.asp>].

for the PRC. The PRC, understanding that the United States would be busy actively fighting terror, used the post-attack environment to foster cooperation between the two countries. Both nations sought to cooperate where convenient and subordinate policy differences where practical. China, in support of the United States, sponsored international initiatives through the UN and SCO condemning terrorism, shared critical intelligence with the U.S. regarding Muslim separatists in western China and in Central Asia, and did not offer diplomatic resistance to U.S. troop deployments to Central, South, and Southeast Asia. However, neither nation went so far as to alter the bilateral relationship substantially. As David M. Lampton comments, "The unsurprising but useful truth is that some things have changed and others have not. The trick is to figure out which is which."<sup>4</sup> China has resumed its role of protecting its strategic priorities in Asia, while cultivating those areas of U.S.-China relations where common ground can be found such as cooperation in the WOT, and fostering better trade relations. Likewise, the United States, lacking a coherent China policy since the Tiananmen massacre of 1989, began to stabilize relations with the PRC as it increased its military strength in Asia in support of the WOT.

The PRC expressed support for U.S. plans to strike back at the perpetrators of the September 11 attacks. The PRC, however, made known their preference for the United Nations to sanction the U.S. use of force because of China's fears of a unilateral response from the United

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<sup>4</sup> David M. Lampton, "Small Mercies: China and America after 9/11," *The National Interest*, Winter 2001/02: 106.

States. The PRC became more concerned about the increased presence of U.S. forces and the increased political influence of the United States in Asia subsequent to the U.S. deployment of troops in support of the WOT. Moreover, the PRC is concerned over the new U.S. national security strategy and its implications for other security issues in Asia such as the status of Taiwan, tensions on the Korean Peninsula, the United States-Japan security alliance, and the overall fear of the PRC leadership over China's encirclement by nations friendly to the United States. The mood therefore has shifted in Beijing from one of support for U.S. efforts in the U.S. WOT to a more suspicious view of the increased influence of the United States in Asia. Hence the PRC seeks to protect its core strategic interests against increased U.S. power and influence in Asia, while cooperating with the United States in the WOT where it serves the interests of the PRC, such as providing intelligence to U.S. forces in Afghanistan that may prevent Islamic militants from entering western China. However, the PRC did not alter its strategic priorities to confront the increased U.S. presence in Asia or the new national security strategy developed by Washington to rearrange U.S. strategic priorities.

In the wake of September 11, 2001, Washington sought to strengthen its hand in the WOT in Asia by developing a less confrontational foreign policy towards Beijing and subordinating policy differences that might have been a source of friction between the two powers. However, this subordination of policy differences came in the wake of the harder line taken by the Bush Administration towards the PRC before the attacks and the peaceful resolution of the



April 2001 EP-3 incident. Therefore, the placing of disagreements between the United States and the PRC on the diplomatic back burner came out of a desire to focus U.S. resources towards winning the WOT rather than from a rapprochement that occurred in an international vacuum. The rearranging of U.S. strategic priorities in Asia redirected the focus of U.S. national security concerns from China to the WOT.

Overall, the Bush administration regards the PRC as a strategic competitor of the United States that at times can be a strategic partner. Maintaining a strong trade relationship is important for both countries, but neither country will sacrifice its core strategic interests for merely economic reasons. The United States and the PRC, in their post- September 11 relationship continue to cooperate where it suits both countries, such as in containing Islamic radicalism in Central Asia and western China and improving trade relations. However, both nations also continue to challenge each other where their strategic priorities diverge, such as over Taiwan, North Korea, use of force in Iraq, and increasing U.S. hegemony in Asia.

## **B. CHAPTER SUMMARY**

This thesis consists of five chapters, including an introduction and a conclusion. Chapter I provides an overview of the thesis for the reader. Chapter II discusses the PRC's strategic priorities, which are regime stability, territorial integrity, and the quest for international prestige and power. The chapter also considers the PRC's economic growth and military modernization efforts and their implications for the PRC's ability to act as a regional power. The chapter concludes that the PRC's

strategic priorities have not changed since the terrorist attacks of 2001 on the United States.

Chapter III catalogues U.S. strategic priorities in Asia, before and after September 11, 2001. The terror attacks on the United States forced the reordering of the main U.S. strategic priorities in Asia. The WOT took precedence over all other U.S. priorities in Asia including U.S.-China relations and the standoff on the Korean peninsula. This reordering of U.S. strategic priorities in Asia had the effect of temporarily muting disagreements between the United States and the PRC over the most contentious issues in the relationship such as the fate of Taiwan, tensions on the Korean peninsula, and U.S. hegemony in Asia. However, the shuffle did not lead to a substantial change in the long-term relations between the two nations. The new U.S. national security strategy focused on challenging terrorist organizations and the rogue states that support them. U.S.- PRC relations were therefore made a lesser priority than the most pressing national security concerns of the United States.

Chapter IV discusses U.S.-China relations, post September 11, 2001. The chapter focuses on policy approaches to the relationship from both the PRC and the United States since the beginning of the U.S. WOT in Asia. The chapter states that in the post-September 11 period relations between the United States and China remain remarkably similar to what they were before that date. Although both nations sought to cooperate in the WOT by sharing intelligence over Islamic militants in Central Asia and western China and condemning terrorist groups, other

major differences in the relationship endured. The United States and the PRC remained at odds over policy disagreements over Taiwan, the Korean peninsula, and the increased U.S. military presence in Asia supporting the WOT. The chapter concludes that these major policy disagreements will cause strains in the U.S.-PRC relationship. However, the two nations will cooperate on issues where they both benefit from cooperation such as intelligence sharing supporting the WOT, and economic relations. Additionally both nations will attempt to subordinate their differences where possible over Taiwan, Korea, and increased U.S. hegemony, to maintain stability in Asia. Neither nation, however, will sacrifice its strategic priorities for the sake of stable U.S.-China relations.

The conclusion considers prospects for the future of U.S.-China relations. It suggests that the United States should continue to foster a better relationship with the PRC as a partner in the WOT, a partner in trade, and a partner in a multilateral framework to address the most serious regional security issues, such as Taiwan and North Korea. New global realities in light of the U.S. WOT require the United States to cultivate a cooperative relationship with China to maximize chances of military success in the WOT's Asian theater. At the same time, the United States will continue to defend other U.S. regional strategic priorities such as a peaceful resolution of differences between the PRC and Taiwan, and maintaining peace on the Korean peninsula. The United States can benefit from contributions made by the PRC to the WOT in Asia such as intelligence sharing about radical Islamic

groups in western China and securing western China from infiltration by terrorists fleeing U.S. military pursuit in Afghanistan. The United States should attempt to engage the PRC as a stabilizing force in the region, which would be in the security interests of both nations. As a response to this U.S. approach, the PRC may likely find it in its interest to establish closer military and diplomatic ties with the United States in an effort to use the U.S. WOT as an opportunity to strengthen the internal and external security posture of the PRC in relation to separatist and regional threats. However, the United States must not abandon its own strategic priorities in Asia to accommodate the PRC. The PRC will continue to use bilateral relations with other countries in Asia to balance the increased power projection capabilities of the United States in the region. The United States therefore must seek to maximize its own interests in Asia as regards the WOT, relations with important friends and allies, maintenance of forward deployed military forces, and challenges from rogue states.

The PRC likely will wish to maintain its economic relationship with the United States and favor reducing tensions over foreign policy issues that could lead to a diplomatic or military confrontation. However, the PRC will seek to balance U.S. hegemony in the region by forming strong relationships with other countries such as South Korea, Vietnam, Indonesia, and to a lesser extent Japan. There are potential disputes that may arise out of the WOT, the U.S.-PRC trade relationship, and tensions over Taiwan or North Korea. The PRC could either adopt a firm balance-of-power stance against the United States in Asia, or seek to cooperate with the United States in areas in which it

may benefit. The outcome depends on U.S. policy and the domestic constraints placed on the PRC leadership. The likely outcome is that the United States and the PRC remain strategic competitors bound by their differences in a realist dance balancing the benefits of trade and anti-terror cooperation against fundamental differences over international policy over such issues as Taiwan, North Korea, and U.S. hegemony in Asia.

The increased U.S. military presence in Central, South and Southeast Asia in support of the WOT, and the associated increase in U.S. diplomatic influence in Asia, has caused the PRC great concern. Beijing may view this increased presence and influence as a strategic threat in the form of a U.S. attempt to contain the PRC and limit its influence vis-à-vis the United States in Asia. The PRC will not want to be ignored as the United States develops plans for future operations and diplomatic initiatives connected with the WOT. U.S. policymakers will have to consider China when developing plans for the WOT in Asia and likely will have to include the PRC in discussions over issues in which it has a stake such as the WOT, Taiwan, and the Korean peninsula.

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## **II. CHINA'S STRATEGIC PRIORITIES**

### **A. INTRODUCTION**

To understand how the 2001 terrorist attacks on the United States affected U.S.-China relations, one must first have an understanding of the PRC's strategic priorities. These strategic priorities have changed as the PRC progressed from a command economy, preoccupied with survival during the rule of Mao Zedong, to a regional power intent on economic prosperity, since the rule of Deng Xiaoping. However, these strategic priorities have remained constant through the rule of Jiang Zemin and have not changed as a result of the terrorist attacks on the United States. Although the PRC may cooperate with the United States in the WOT in Asia, the PRC will not subordinate any of its core strategic priorities to facilitate that cooperation.

Today the PRC is at a crossroads. While some parts of it possess a thriving market economy that has facilitated its ability to participate in regional and world affairs to a greater extent than ever before in its history, much of it is still poor and just beginning reforms. The overwhelming preoccupation of the government is to continue the economic reforms begun by Deng Xiaoping in 1978 to transform the PRC from a third world country into a regional power. In this pursuit of domestic reform, PRC foreign policy remains a peripheral, albeit important, concern for the PRC leadership. As Michael D. Swaine and Ashley J Tellis from Rand comment, "Chinese grand strategy since the end of the Cold War has sought to maintain the

orientation visible since 1978: the acquisition of comprehensive national power deriving from a continued reform of the economy without the impediments and distractions of security competition.”<sup>5</sup> The PRC is intent on continued economic growth to help maintain its progression towards becoming a major Asian power. While the PRC wants to be seen as a willing participant in the global effort against terrorism, especially in actions sanctioned by the international community, it will not sacrifice its own interests in the process. While the PRC is likely to continue to support the U.S. WOT in Asia, it will constantly reassess that support in relation to its strategic priorities. If the U.S. WOT threatens the core strategic interests of the PRC in any way, the United States can expect reduced support or even an outright challenge to U.S. policies from the PRC.

## **B. STRATEGIC PRIORITIES**

As China enters the 21<sup>st</sup> century, it seeks to become a great power on the world stage. This desire stems from China’s perception of itself as an historically great culture hindered by Western imperialism in its effort to claim the respect and standing among the great nations of the world. No longer hampered by foreign occupation, civil war, catastrophic social and economic upheavals, or even direct threats on its borders, China can concentrate on economic development and integrating into the international community. However, rather than being content as a coequal with other Asian nations, China seeks to assert itself as the preeminent power in Asia. As Robert Sutter states,

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<sup>5</sup> Michael D. Swaine and Ashley J. Tellis, *Interpreting China’s Grand Strategy*, Washington, D.C.: Rand, 2000, 112.



"Beijing wishes to be seen as the leading power in Asia and not as lower in prestige or regional influence than its neighbors."<sup>6</sup>

In its pursuit of regional power and world power status, the PRC has recognized that it must defend its strategic priorities. As such, the PRC will not allow these priorities to be compromised by outside powers. As a country focused on domestic reform and economic growth, the PRC would prefer not to engage an external power, such as the United States, in a military conflict over these strategic priorities. However, the PRC has in the past used force to defend its interests. The PRC's goals in its previous uses of force were not always geared towards defeating its enemy, but rather to send the message that the PRC was willing to use force to defend its interests. As Mark Burles and Abram Shulsky of Rand state, "China, despite an awareness of its relative weakness, might nevertheless be willing to use force against the United States or in a way that runs a major risk of U.S. involvement. In using force this way, China would be primarily seeking to achieve a political effect."<sup>7</sup> The PRC would not shirk in using force to defend its interests over Taiwan, or perhaps if it felt threatened by U.S. military intervention in North Korea. Such a use of force would not have the intent of defeating U.S. forces, but rather would demonstrate that the PRC would fight over issues it considered important.

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<sup>6</sup> Robert Sutter, "China's Recent Approach to Asia: Seeking Long-Term Gains," *NBR Analysis* 13, no. 1, 3, [[http://www.nbr.org/publications/analysis/vol13no1/essay\\_Sutter.html](http://www.nbr.org/publications/analysis/vol13no1/essay_Sutter.html)].

<sup>7</sup> Mark Burles and Abram N. Shulsky, *Patterns in China's Use of Force*, Washington, D.C.: Rand, 1999, ix.

In the current international environment in Asia, the United States and the PRC are not likely to engage each other in military conflict. Moreover, the PRC has offered the United States assistance in its WOT in Asia in the form of intelligence sharing and diplomatic support. However, while the strategic priorities of the United States have changed because of September 11, 2001, the PRC's strategic priorities have not. If the United States and the PRC have serious disagreements involving the PRC's strategic priorities, U.S.-China relations will deteriorate.

Beijing's current strategic priorities are: 1) regime security, 2) preserving territorial integrity, and 3) gaining international prestige, power and respect, which includes enhancing the PRC's "comprehensive national power" (zonghe guoli), a concept encompassing military, economic and political power.<sup>8</sup>

The PRC leadership has designed a security strategy to help achieve its strategic priorities. China's National Defense White Paper from 2002 states:

The fundamental basis for the formulation of China's national defense policy is China's national interests. It primarily includes: safeguarding state sovereignty, unity, territorial integrity and security; upholding economic development as the central task and unremittingly enhancing the overall national strength; adhering to and improving the socialist system; maintaining and promoting social stability and harmony; and striving for an

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<sup>8</sup> Thomas J. Christensen, "China," *Strategic Asia 2002-03*, ed. Richard J. Ellings and Aaron L. Friedberg, Washington: The National Bureau of Asian Research, 2002, 53.

international environment of lasting peace and favorable climate in China's periphery.<sup>9</sup>

China's strategic priorities are integrated with each other and do not exist in a vacuum. Regime stability, territorial integrity, and international prestige and power are interconnected to form a patchwork of the PRC's core interests. If the Chinese Communist Party (CCP) fails to guide the population of the PRC in a manner supported by the people, regions unsatisfied with rule from Beijing such as Xinjiang and Tibet might become more vociferous in their push for autonomy. Likewise, if Taiwan is able to become fully independent, nationalist sentiment in the population may decide the regime has betrayed the interests of the PRC and thus is unfit to rule. The PRC's strategic priorities represent those things that, at present and in the near future, cannot be marginalized for the relative gain of an external power.

### **C. REGIME STABILITY**

The CCP, as the sole governing party in charge of the affairs of state for the PRC, has to ensure its own survival to carry out its vision for the country. In 1978 at the Third Plenum, the CCP began to deviate from its ideological roots and phased out the communist planned economy model in favor of a system incorporating capitalism while politically remaining a socialist entity. The CCP shed its attachment to the command economy model because of the failures of the past and decided that adopting market

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<sup>9</sup> China's National Defense 2002, II National Defense Policy, *People's Daily*, 2002, [<http://english.peopledaily.com.cn/features/ndpaper2002/nd2.html>], January 31, 2003.

capitalism was the only way it could avoid losing its legitimacy.<sup>10</sup>

The present leaders of the PRC are made up of Fourth generation CCP cadres. These leaders are charged with continuing the road to economic growth and reform and facilitating the PRC gaining international prestige and power while substantiating the relevance of their own leadership. The PRC leadership has learned from its predecessors the lessons behind the demise of the Soviet Union and is not anxious to repeat that process in the PRC. As Burstein and Keijzer observe, "Deng Xiaoping always believed that Mikhail Gorbachev's big mistake in the Soviet Union was to allow political freedom *before* he revamped the economy. Deng's view was economic modernization first, political reform much, much later - if ever."<sup>11</sup> The Party sees the road to regime stability as going through the Party, not around it.

The CCP has attempted to institute reforms to make it more relevant to a growing and modernizing PRC and to avoid the fate of its Soviet cousins. The CCP has adopted President Jiang Zemin's "Three Represents" proposal, which formally recognizes the contributions made by capitalist entrepreneurs to China's economic growth and would allow those entrepreneurs to join the CCP. Moreover, President Jiang emphasized that the CCP had become more of a "ruling party" aimed at "comprehensive reform and opening up," than a "revolutionary party" focused on "national construction

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<sup>10</sup> Robert G. Sutter, *Chinese Policy Priorities and Their Implications for the United States*, New York: Rowman and Littlefield, 2000, 17.

<sup>11</sup> Daniel Burstein and Arne de Keijzer, *Big*, New York: Touchstone, 1998, 17.

under the condition of external blockade."<sup>12</sup> This represents an internal reform movement designed to make the Party responsible for the institutionalization of government. Such institutionalization is more conducive to the development of a market economy within the bounds of the political control of the CCP, eliminating the need to democratize, answering the call of entrepreneurial elites for political reform, and ensuring regime survival. As Joseph Fewsmith summarizes,

Perhaps the most significant aspect of these ideological changes is the message that after two decades of effecting reform through the party, now the party itself has become the object of reform. This is, in effect, a program of incremental but significant political reform. These reforms are clearly intended to preserve the rule of the CCP and therefore stop well short of democratization.<sup>13</sup>

Regime stability is something the CCP strives to maintain despite internal and external pressures to reform politically. The willingness of the government to use People's Liberation Army (PLA) troops to quell the 1989 pro- democracy rallies in Tiananmen Square demonstrates to what lengths the party will go to retain complete control of the country. Moreover, the PLA remains an arm of the Party, ready to defend the regime from internal destabilizing forces. One of the PRC's national defense policy goals is "To stop armed subversion and safeguard social stability."<sup>14</sup> This policy goal sends the message that the CCP, as long as it is in control, will not tolerate

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<sup>12</sup> Jiang Zemin, in Joseph Fewsmith, "Rethinking the Role of the CCP," *China Leadership Monitor*, no. 1, Part 2, 6.

<sup>13</sup> Fewsmith, "Rethinking the Role of the CCP," 9.

<sup>14</sup> China's National Defense in 2002, 3.

internal instability whether it comes from pro democracy advocates, Tibetan separatists, or the Falun Gung. Likewise, Beijing regards any external challenge to or criticism of the way it governs the PRC as interference in the PRC's internal affairs. Pressure from Western democracies on Beijing to enact political reform will continue to be a source of tension between Beijing and the West. Such tension could circumvent cooperation in areas of strategic interest to the United States in its anti-terror operations in Asia.

#### **D. TERRITORIAL INTEGRITY.**

Regime stability blends in seamlessly with the PRC's other strategic priorities. As Swaine and Tellis comment, "The twin security goals of preserving domestic order and well being and deterring external threats to Chinese territory are closely interrelated, from the Chinese perspective."<sup>15</sup> The PRC regained control over Hong Kong and Macao in the late 1990's, bringing an end to the century of shame. However, the PRC still considers it in its strategic interests to maintain control over regions it now possesses such as Tibet and Xinjiang, and to establish control over regions long thought to be part of China such as Taiwan. The PRC idea of preserving territorial integrity is based on "preventing the breakup of a large, ethnically diverse nation, including especially the prevention of Taiwan's permanent separation from the mainland, preventing Tibetan independence, and quelling Muslim uprisings in Xinjiang."<sup>16</sup>

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<sup>15</sup> Swaine and Tellis, *Interpreting China's Grand Strategy*, 17.

<sup>16</sup> Christensen, *Strategic Asia*, 53.

The main strategic concern as regarding territorial integrity is Taiwan. As the PRC's 2002 National Defense White Paper states:

Taiwan is an inalienable part of China. The Chinese government will, in keeping with the basic principles of peaceful reunification and one country, two systems and the eight-point proposal on developing cross-strait relations and advancing the process of peaceful national reunification at the present stage, strive for prospects of peaceful reunification with the utmost sincerity and maximum effort. But it will not forswear the use of force.<sup>17</sup>

Taiwan is a great concern to the Chinese and is the most likely point of direct confrontation between the United States and China. As the Chinese see it, "the issue of Taiwan is entirely an internal affair of China. Directly or indirectly incorporating the Taiwan Straits into the security and cooperation sphere of any country or any military alliance is an infringement upon and interference in China's sovereignty."<sup>18</sup> China will not tolerate any move in Taipei to claim independence nor will it standby as other major powers, such as the United States, move closer to Taiwan to the extent that it threatens the recognition of the PRC as the only China. Beijing engages Taiwan economically, but it strives to isolate it diplomatically by forming strong relationships with foreign powers that Beijing requires to recognize only one China.

U.S. economic and political ties to Taiwan are worrisome for China. The tendency for the United States to favor commitments to democratic countries, especially ones

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<sup>17</sup> China's National Defense in 2002, 3.

<sup>18</sup> Ibid., 15.

with long established ties, creates the potential for confrontation over Taiwan. The Bush administration has made public its commitment to assist Taiwan militarily in a cross-strait crisis according to the Taiwan Relations Act.<sup>19</sup> However, the United States recognizes the PRC as the one China and insists that Beijing and Taiwan should resolve their differences peacefully. The PRC is worried about the willingness of U.S. government officials to sponsor visits of Taiwanese leaders and to treat Taiwan as an unofficial sovereign state. If the PRC detects that the United States is considering in any way greater independence for Taiwan, it will be a major cause of friction between the United States and the PRC. The PRC would use force to prevent Taiwanese independence, but as Michael D. Swaine and Ashley J. Tellis state:

It would prefer not to employ force to resolve the issue but may nonetheless be compelled to do so because the principle of avoiding significant territorial loss particularly of an area possessing enormous nationalistic significance as a Chinese province would demand a military reaction, no matter how costly, if the Taiwanese sought to change the status quo unilaterally.<sup>20</sup>

Beijing is also concerned with maintaining control over the mainland provinces of Xinjiang and Tibet, which have large minority populations and have expressed a desire for greater autonomy. The XUAR has become the greater security concern for Beijing, in the aftermath of September 11 and incidents of separatist violence committed by Muslims in that region. Beijing is concerned about its

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<sup>19</sup> White House, *The National Security Strategy of the United States of America 2002*, September 2002, 28.

<sup>20</sup> Swaine and Tellis, *Interpreting China's Grand Strategy*, 132.



ability to control western China and desires to eliminate any potential sovereignty challenges offered by regional Islamic movements. The perception of the central government is that Islamic groups in western China pose a challenge to its authority. This perception of a challenge to CCP authority is enough to generate a response from Beijing. The central government has zero-tolerance for challenges to CCP authority or separatism in any form, whether in Taiwan, Tibet, or Xinjiang.

The central government is unlikely to allow any overt challenges from Islamic groups to its authority in western China. However, Beijing cannot operate with a free hand to suppress minority groups it views as a threat. Limitations placed on Beijing by the international community as regards the human rights of minority populations constrains the central government's alternatives in dealing with them. Beijing does not want to alienate the international community or strain trade relations unnecessarily by appearing too harsh towards minority populations. While Beijing will likely continue its policy of controlling the XUAR, it is aware that there is international scrutiny over their behavior and that there may be an international price to pay, in the form of diplomatic and economic sanctions, for missteps. Moreover, the unwillingness of the United States to sanction a Chinese crackdown on minority populations in western China under the banner of an anti-terror campaign poses challenges to the future of the Sino-U.S.<sup>21</sup> relationship. The United States is limited in the pressure it can put on Beijing to respect human rights in

<sup>21</sup> Dewardric L. McNeal, "China's Relations with Central Asian States and Problems with Terrorism," *CRS Report for Congress*, December 17, 2001, CRS-4.

the XUAR. However, if Chinese human rights abuses offend the U.S. administration or Congress, there could be political and economic repercussions as there were in the wake of the Tiananmen massacre. An additional security concern for Beijing is the potential limitation on its ability to exploit the XUAR and Central Asia economically for resources and trade because of increased violence by Islamic fundamentalist groups in the region.<sup>22</sup>

The XUAR has taken on additional significance since U.S. military operations began in October 2001 in Afghanistan. The XUAR borders Afghanistan, and some of the Islamic separatists in the XUAR are said to have connections with and received training from Al Qaeda.<sup>23</sup> Beijing has an interest in suppressing unrest and the influence of external militant Islam in the XUAR, but it is also concerned with the strategic implications of the U.S. WOT being conducted so close to its territory. The Chinese view any increased U.S. presence in South and Central Asia with ambivalence. On the one hand, they view Washington's desire to eliminate groups associated with the attacks on U.S. targets as an opportunity to cooperate in suppressing Islamic fundamentalist groups in the XUAR. On the other hand, China views any increased U.S. military presence close to its borders as a threat to Chinese security. Therefore, the threat that Beijing sees from Islamic fundamentalist groups in the XUAR comes not only in the form of destabilizing political movements and violent

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<sup>22</sup> Niklas Swanstrom, "China and Xinjiang after September 11," *NIASnytt* no. 3, 2002, 14, [<http://www.niaslinc.dk/Gateways/ASEM>].

<sup>23</sup> Suzanne Lidster, "China's 'War on Terror'," *BBC News*, September 10, 2002, 2, [[www.bbc.co.uk](http://www.bbc.co.uk)], December 4, 2002.

activities associated with such groups, but also in the increased U.S. influence in bordering states.<sup>24</sup>

The PRC has strategic interests in mainland and island Southeast Asia, particularly in the South China Sea.<sup>25</sup> The PRC's contemporary concerns focus on territorial claims, acquiring natural resources from the region, an interest in protecting trade, and an opportunity to extend its influence as a regional power. Chinese territorial claims focus on the Spratly Islands. China has occupied several of the islands and had small military clashes over some of them such as the skirmish with the Vietnamese over Johnson and several other islands in 1988.<sup>26</sup> In February 1995, when it became apparent that China had occupied Mischief Reef, which was claimed by the Philippines, China was surprised in the unified condemnation expressed by the ASEAN countries, especially since there were unresolved disputes among those member states. China then retreated from its blatantly aggressive approach to its claims in favor of a less belligerent stance. As Michael Leifer comments, "China appears to have adopted a more accommodating attitude towards the ASEAN states, including those with which it is in dispute over the Spratlys, and has demonstrated the importance it attaches to political stability in the Asia-Pacific region in the interest of economic development."<sup>27</sup>

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<sup>24</sup> June Teufel Dreyer, "China's Islamic Challenge," *China Brief*, The Jamestown Foundation I, Issue 6, September 27, 2001, 6.

<sup>25</sup> Michael Leifer, "Chinese Economic Reform and Security Policy: The South China Sea Connection," *Survival* 37, Summer 1995, 44.

<sup>26</sup> William J. Dobson and M. Taylor Fravel, "Red Herring Hegemon: China and the South China Sea," *Current History*, September 1997, 259.

<sup>27</sup> Leifer, "Chinese Economic Reform," 51.

Although China will not relinquish its territorial claims in the South China Sea, the Chinese government has shown that it is unwilling to allow contentious claims in the Spratlys to dominate the relationship between the PRC and ASEAN or to become an issue that may cause a crisis between the PRC and other countries in the region. Tensions and disagreements still exist between the PRC and several ASEAN nations and among the ASEAN nations themselves. However, in 1997, at the ASEAN Regional Forum (ARF), the PRC adopted a fairly accommodating stance regarding Southeast Asia.<sup>28</sup>

The growth rate of the Chinese economy may mandate that the PRC maximize every potential petroleum resource. The PRC most likely will increase importation of oil from Russia and Central Asia in the same manner that the United States is beginning to diversify its sources of imported oil so as not to rely on one region. Additionally, one might assume that the PRC, because of its shaky history with the Russians, will not be comfortable being dependent on a source of strategically important resources from a former adversary. The PRC may have no choice but to exploit potential resources that it can control. Moreover, the same region, under which vast pools of oil may lie, is home to some of the richest fishing grounds in the world.

The PRC also has an interest in free, unimpeded trade, maintaining the security and openness of the sea lines of communication (SLOCs), and limiting transnational crime and piracy throughout Southeast Asia. Due to its limited military capabilities in the region, China can only support

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<sup>28</sup> Robert Sutter, "China's Recent Approach to Asia: Seeking Long Term Gains," 7.

this effort in a very limited fashion by conducting coastal patrols off its shores. Therefore, the PRC continues to support international efforts such as the ASEAN Regional Forum (ARF) in the region that attempt to provide a greater degree of security to international commerce.<sup>29</sup> For this reason, China supports a continued U.S. Naval presence in the region since it is the only credible force that is capable of ensuring security. However, China by no means wants to see the United States act as a regional hegemon. In this regard, the U.S. WOT in Southeast Asia is another strategic concern for Beijing.<sup>30</sup> Beijing may favor the extra security and stability of an increased U.S. military presence in Southeast Asia, yet it is also concerned over increased U.S. power and influence in the region. The PRC would not favor seeing the substantial expansion of an U.S. military footprint in Southeast Asia. Such a presence would threaten the status quo of forces in the region and might not only weaken the PRC's prestige and power in Southeast Asia, but could be viewed as a threat to Beijing's interests.

#### **E. INTERNATIONAL PRESTIGE AND POWER**

As China becomes a large economic power and continues to integrate with the world diplomatically, it seeks to increase its influence and prestige, particularly in Asia. The PRC sees itself as having greater international status in a world headed from superpower hegemony toward multipolar framework. The collapse of the Soviet Union has removed one superpower from China's national security

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<sup>29</sup> *China's National Defense 2002*, 6.

<sup>30</sup> Lyall Breckon, "Beijing Pushes 'Asia for the Asians,'" *Comparative Connections*, 3<sup>rd</sup> Quarter, 2002, 1, [[http://www.csis.org/pacfor/cc/0203Qchina\\_asean.html](http://www.csis.org/pacfor/cc/0203Qchina_asean.html)].

calculus, and the PRC hopes to use international forums such as the UN, SCO, and ASEAN to marginalize the influence of the United States in Asia. As Jiang Zemin stated at the 15<sup>th</sup> National Congress, "The development of the trend toward multi-polarity contributes to world peace, stability and prosperity. The call of the people of all countries for treating each other on an equal footing and living together in amity is becoming louder and louder."<sup>31</sup> The PRC challenges the notion of U.S. hegemony in Asia and is interested in joining other regional powers in making more cooperative decisions while controlling its own destiny.

The PRC sees the continued development of comprehensive national power as the key to slowly gaining a stronger regional hand, particularly in East Asia. Thomas Christensen points out:

China needs to be an indispensable engine of regional economic growth, to maintain military superiority over most regional actors, to close the conventional military gap with Russia and Japan, to develop the economic and military capability to coerce Taiwan into accommodation with the mainland, and to deter the United States from taking effective action against China's core interests.<sup>32</sup>

Diplomatic efforts by the PRC show that it has engaged regional powers on a broad diplomatic front. Since the 1970s, the PRC has sought to expand its international influence and standing by joining international organizations such as the United Nations. More recently,

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<sup>31</sup> Jiang Zemin, "Hold High the Great banner of Deng Xiaoping Theory for and All-Round Advancement of the Cause of Building Socialism with Chinese Characteristics into the 21<sup>st</sup> Century," *Beijing Review*, Report Delivered at the 15<sup>th</sup> National Congress of the Communist Party of China, September 12, 1997, 29.

<sup>32</sup> Christensen, "China," 53.

the PRC has accelerated efforts by joining the International Monetary Fund (IMF) in 1980, the World Trade Organization (WTO) in 2001, continued to bolster its support of the Shanghai Cooperation Organization (SCO) in Central Asia, and expanded its economic and diplomatic influence in ASEAN.

The PRC does not have the military or economic resources to challenge the United States in Asia. The PRC would rather develop a regional block or bilateral relationships to contest the strong American position in Asia, especially since the U.S. WOT began. However, PRC policies in Asia can only continue to be outward looking as long as economic, social, and political trends within the PRC remain stable. Moreover, the PRC will not benefit from a global or regional crisis that diverts resources from building domestic infrastructure and growing the economy. The PRC needs to continue to engage its neighbors economically and diplomatically to increase its influence.

The PRC has a large economic interest in maintaining good relations with Japan, South Korea, and the ASEAN nations. However, there are also great security concerns involved in these relationships. The PRC has always feared Japan because of its history. The PRC has an interest in maintaining military forces that can challenge any strategic move by a remilitarized Japan.

Moreover, the U.S. - Japan security relationship and the presence of U.S. forces in Japan is a cause for concern, as is the presence of U.S. Forces in South Korea. Although the PRC views the American presence as a beneficial hedge against Japanese remilitarization and

North Korean belligerence, the PRC is wary as to what those relationships may mean if the PRC makes a military move against Taiwan. The PRC's greatest fear concerning the U.S. presence in Japan is that the United States will encourage the expansion of the Japanese military role in the WOT creating a more militarized Japan with which the PRC will have to contend.<sup>33</sup>

To deal with the changing international and regional environment, the PRC has had to conduct a large-scale military modernization effort. Its goal in this regard has been to build a modern military force that can better support its national interests, deter outside powers from interfering in its affairs, and coerce regional actors into giving greater weight to PRC intentions. In 1985, the PRC changed its overall military strategy from one based on a large-scale war to one based on limited local war. The Soviet Union was no longer viewed as an imminent threat and was considered to be in decline and locked in a strategic deadlock with the United States. Throughout the late 1980s, the PRC adjusted its military and strategic doctrine to deal with foreign threats that were on China's periphery as well as issues of sovereignty and internal stability. When the Soviet Union collapsed, the threat from the PRC's northern border went with it and the country faced new strategic realities.

The 1991 Gulf War demonstrated to Beijing the differences in capabilities between the PLA and the Armed Forces of the United States. The PLA realized it would have

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<sup>33</sup> Michael Swaine and Minxin Pei, "Rebalancing United States- China Relations," *Policy Brief* 13 Carnegie Endowment for International Peace, February 2002, [www.ceip.org], 15 January 2003.



to adapt to fighting high-tech forces, while avoiding the high financial cost of relying on high technology to solve its military problems. The most important modernizations the PLA began in earnest were those associated with regional security and limited force projection. To protect its coastal areas, deter Taiwanese independence, expand its influence in the region, and engage a superior adversary, the PRC has devoted much time, energy, and resources to developing a modern navy, air force, army, and strategic forces. Whereas the PRC has been successful in modernizing small portions of the PLA, most if it remains lagging behind advanced Western military forces. The PLA remains a force to be taken seriously, yet for the near-term it is unlikely to challenge the military superiority of the United States. As a Rand study summarizes, "Thus, even today's PLA - ponderous, poorly trained, and ill-equipped as it is - presents unique and more demanding planning and operational challenges to U.S. strategists contemplating a possible confrontation with China."<sup>34</sup>

The combined effort towards increased diplomacy, increased regional trade and military modernization, backed by the engine of the PRC's growing economy, has made the PRC a more powerful and influential nation than it has ever been before. The PRC leadership has taken China out of the shadows of the Cultural Revolution and down the path of becoming a great nation. In all likelihood, China will continue to develop economically and militarily into the foreseeable future. Yet as it grows and develops into an economic powerhouse, it faces enormous political, economic,

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<sup>34</sup> Zalmay M. Khalilzad, et. al., *The United States and a Rising China* (Washington, D.C.: Rand, 1999), 48.

and social challenges at home. The present Chinese leadership would much rather focus on internal development than external adventurism.

For the first time in its history, the PRC controls its own destiny without a major external threat to its survival. The Chinese may see this as an opportunity to have regional influence befitting its size. Moreover, if the Chinese Communist Party (CCP) sees its legitimacy threatened at home, it may seek nationalistic victories abroad. These may come in the form of territorial claims in the South China Sea or in an aggressive move towards Taiwan. China is developing the capacity to back up such moves should it desire to implement them, yet it will not realize that capacity for some years to come. For the near term, China views internal economic development external trade relations, and its military incapacity in the region as important enough concerns to prevent it from creating a crisis in the region. That is, unless its strategic priorities are challenged.

The PRC has used the "five principles of peaceful coexistence" - mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence - as the basis for its foreign policy since 1954.<sup>35</sup> The PRC continues to base its security policy on this theme, although for different reasons than in the past. However, the PRC has at times been willing to go to war over issues it deemed critical to Chinese national interests. What the PRC has

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<sup>35</sup> Andrew J. Nathan and Robert S. Ross, *The Great Wall and the Empty Fortress*, New York: W.W. Norton & Company, Inc., 1997, 4.

always demonstrated was that any external threat to Chinese sovereign territory would be challenged, from the frontiers of Russia, India, Vietnam, and Korea, to the island of Taiwan. Should the U.S. WOT threaten the strategic priorities of the PRC in any way, or if cooperation with the United States in the WOT causes a strategic loss, the PRC can be expected to become more ambivalent. Moreover, if the United States and the PRC have critical differences over issues concerning any of the PRC's strategic priorities, Beijing will become extremely resistant to the increased U.S. military presence in Asia. The PRC does not want to see the United States use the WOT as an excuse to forward deploy more military forces on China's periphery. Additionally, the PRC would feel threatened if the United States adopted a closer military and diplomatic relationship with Taiwan or if U.S. policies towards North Korea were counter to Beijing's interests. Cooperation from Beijing in the U.S. WOT in Asia through intelligence sharing, and diplomatic support is dependent on whether the PRC views specific U.S. actions as threatening its core strategic priorities.

The nature of the relationship between the United States and the PRC, in the wake of September 11 has not changed from the PRC's perspective. The PRC has the same strategic priorities after September 11 as it did before. Whereas the attacks may have changed the tenor of the relationship between the two countries, that came as a result of the change in American priorities and the subsequent subordination of differences with the PRC. Cooperation in the WOT between the United States and the PRC cannot therefore be considered as changing the

bilateral relationship, but rather as taking advantage of an unforeseen opportunity. The United States, post September 11, was forced to replace its concern over a growing China with its desire to win the WOT as its number one priority in Asia. The PRC post September 11, 2001 was concerned with the same strategic priorities it had on September 10, 2001.

### **III. U.S. STRATEGIC PRIORITIES IN ASIA**

#### **A. INTRODUCTION**

The September 11 terrorist attacks on the United had a profound impact on the strategic priorities of the United States. In the 20<sup>th</sup> Century, the United States had been used to its most dangerous adversaries being thousands of miles away from American shores. When moved to war, the United States was able to take the fight to the enemy's territory, usually overseas. The events of September 11, 2001 demonstrated that a small group of determined terrorists could inflict serious damage on the world's only remaining superpower. As a result, the United States rearranged its strategic priorities and developed a new security strategy to deal with future threats.

Before September 11, 2001, U.S. strategic priorities had focused on dealing with nation-states that might try to challenge U.S. interests. The United States maintained long-standing relationships with allies that had existed through the Cold War and beyond to contain potential adversaries. Even the first major post-Cold War test of U.S. force of arms in defense of U.S. national interests was against a nation-state, Iraq. In Asia, the United States sought to contain a growing China from becoming a threat to U.S. interests and sought to limit the advance of North Korean aggression.

In reaction to America's obvious vulnerabilities to terrorist attacks, the United States reoriented its strategic priorities from potential rival nation-states to concentrating on terrorist organizations and rogue nations

that supported them. According to John Ikenberry, "The grim new reality is that small groups of terrorists perhaps aided by outlaw states may soon acquire highly destructive nuclear, chemical and biological weapons that can inflict catastrophic destruction. These terrorist groups cannot be appeased or deterred, the administration believes, so they must be eliminated."<sup>36</sup> Moreover, the national security strategy of the United States transitioned from the containment-oriented strategy of the Cold War, based on a series of alliances, to one based on preemptive and, if necessary, unilateral action against a potential adversary. Additionally, the new national security strategy contained provisions for the United States not to be a mere equal with other world powers in military might, but to remain militarily supreme to thwart all potential challenges from adversaries.

Though the shift in U.S. national security priorities and strategy changed because of September 11, it did not have a substantial impact on U.S. bilateral relations with most countries in Asia. Countries that became obvious targets of the new U.S. strategy had a major change in relations forced upon them. However, the majority of nations in Asia with which the United States had amicable relations prior to September 11, 2001 remained largely unaffected by the change in U.S. strategic priorities and strategy. The PRC was among this latter group of countries.

#### **B. STRATEGIC PRIORITIES IN ASIA BEFORE SEPTEMBER 11, 2001**

The Bush Administration came to power with a different view of the world than the Clinton Administration. The Bush

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<sup>36</sup> G. John Ikenberry, "America's Imperial Ambition," *Foreign Affairs*, September/October 2002 81, no. 5, 50.

foreign policy team adopted a more aggressive approach to containing potential U.S. adversaries, whereas the Clinton Administration tried to appear multilateral in its actions and was more willing to appease nations that were a threat to U.S. interests such as North Korea. Moreover, the administration changed the strategic focus of the United States from Europe to Asia. Although the Bush Administration borrowed aspects of the Clinton approach to dealing with Asian powers -- such as supporting American access to Asian markets and maintaining the balance of power in Asia in favor of the United States -- there were some pronounced differences.

The Bush Administration approach to potential U.S. adversaries in Asia, such as the PRC and North Korea, was to demonstrate its disapproval of their lack of democratic reform and continued pursuit of military power. Simultaneously, the Bush Administration showed greater support for U.S. allies in Asia than did the Clinton Administration by strengthening security relationships with such countries as Japan and the Philippines. As Aaron L. Friedberg of Rand summarizes:

The new administration did not seek to isolate or contain China, nor did it wish to provoke a war with North Korea. But it was willing to take a tougher stance towards both countries than the Clinton administration and to emphasize the ideological divide that continued to separate these countries from the United States and its democratic friends and allies.<sup>37</sup>

The Bush Administration did believe that it could influence change towards democracy in repressive regimes by

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<sup>37</sup> Aaron L. Friedberg, "United States," *Strategic Asia 2002-03*, Washington D.C.: Rand, 2002, 20.

encouraging trade and economic freedom. Combined with a more robust alliance with friendly Asian states such as Japan and the Philippines, and a continuance of U.S. forward basing of troops, the Bush Administration hoped to expedite the inevitable advance towards democracy for nations such as China. As Friedberg states:

Like its predecessors, the new administration also intended to combine engagement with aspects of what can only be described as a policy of containment. The primary differences, albeit significant ones, would be matters of degree. Under Bush, the United States would seek to broaden and deepen its alliance and quasi-alliance relationships in Asia, step up its support for Taiwan, and move forward with efforts to strengthen its capacity to project military power into the western Pacific.<sup>38</sup>

Before the attacks of September 11, 2001, the two main U.S. strategic priorities in Asia were: 1) U.S.-China relations (including the Taiwan issue), and 2) stability on the Korean peninsula. As a Rand study summarizes,

Asia contains the one on-going Cold War conflict in the world- the tense, militarized standoff between North and South Korea. It is also home to the seemingly intractable rift between China and Taiwan.<sup>39</sup>

U.S.-China relations were the top priority for the new Bush Administration as it came into office since it viewed the PRC as the strongest military power in Asia and therefore the most likely potential U.S. adversary. Moreover, the first major international crisis in Asia with which the Bush Administration had to deal was the collision

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<sup>38</sup> Ibid., 26.

<sup>39</sup> Zalmay Khalilzad et. al., *The United States and Asia*, Washington, D.C.: Rand, 2001, 3.



between a U.S. EP-3 surveillance aircraft and a PRC interceptor fighter aircraft on April 1, 2001.<sup>40</sup> U.S.-PRC relations were further strained when President Bush stated on April 25, 2001 that the United States would do "whatever it took" to defend Taiwan against aggression.<sup>41</sup> This statement went beyond the U.S. *Taiwan Relations Act (TRA)*, P.L. 96-8, enacted in 1979,<sup>42</sup> which gave only an implicit U.S. commitment to defend Taiwan and authorized arms sales. President Bush later backed off from the impression that there had been a change in China policy and stated that he did not support Taiwanese independence.<sup>43</sup> Moreover, the State Department officially made it known that the United States would follow the provisions of the TRA.<sup>44</sup> After the return of the EP-3 crew on April 12, 2001 and the official U.S. position on Taiwan was clarified by the end of month, U.S.-China relations became less confrontational. The events of September 11, 2001 would smooth relations even further, for the short term.

North Korea was second on the list of U.S. priorities in Asia because it remained the last frontier of the Cold War and it was the point of confrontation in Asia between U.S. armed forces and the armed forces of a rival nation state. It only ranked behind the PRC as a potential threat to U.S. interests in Asia because of its relatively smaller size and power in relation to the PRC. China might have

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<sup>40</sup> Bonnie S. Glaser, "Mid-Air Collision Cripples Sino-U.S. Relations," *Comparative Connections* CSIS, 2<sup>nd</sup> Quarter, 2001, 1.

<sup>41</sup> Ibid., 4.

<sup>42</sup> "China/Taiwan: Evolution of the 'One China' Policy," *CRS Report for Congress*, March 12, 2001, CRS-15.

<sup>43</sup> Glaser, "Mid -Air Collision," 4.

<sup>44</sup> Ibid., 4.

been viewed as a greater long-term threat to U.S. interests whereas North Korea presented a more immediate but smaller danger to U.S. national security."<sup>45</sup>

**C. STRATEGIC PRIORITIES IN ASIA AFTER SEPTEMBER 11, 2001**

The attacks of September 11, 2001 completely changed U.S. strategic priorities in Asia. The WOT, begun in Afghanistan in October 2001 as a reaction to the September attacks, immediately became the top strategic priority of the United States in Asia. The still sensitive relations between the United States and the PRC were reduced in relative importance as the United States developed a strategy to defeat terrorist threats. Likewise, the Korean standoff was made a lower priority as it was still seen as being part of the Cold War, which by definition was not as important a priority as the ongoing hot war in Afghanistan. However, North Korea as a rogue state, with an extensive WMD program, became more of a threat to the United States in the eyes of the administration.

The new U.S. post-September 11 strategic priorities in Asia therefore became: 1) the WOT in Asia, 2) containment of North Korea and 3) relations with the PRC. This reorganization did not mean that United States reduced its concerns over North Korean aggression and the rise of PRC power. It meant only that the WOT as a reaction to attacks on the United States took priority over all other strategic challenges.

The new U.S. strategic concept designed to deal with the challenges of the post-September 11 world was contained in the *National Security Strategy of the United States of*

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<sup>45</sup> Friedberg, "United States," 27.

*America* (NSS 2002) published in September 2002. The strategy deviated from official U.S. strategic policies of the past in that it codified the idea of preemptive attacks against potential adversaries, be they terrorist organizations or rogue states. Moreover, the strategy called for unilateral U.S. action, should it prove necessary, to safeguard U.S. interests. For example, the anti-terror strategy in NSS 2002 clearly states:

We will not hesitate to act alone, if necessary, to exercise our right of self-defense by acting preemptively against such terrorists, to prevent them from doing harm against our people or our country.<sup>46</sup>

The NSS 2002 combined a preemptive and unilateral component with maintaining favorable alliances to contain or destroy likely adversaries.

The administration's major concern, as expressed in the NSS 2002, was the potential that rogue nations might provide WMD technologies to terrorists or that they might develop their own weapons that could be used to attack the United States. As NSS 2002 states:

The gravest danger our Nation faces lies at the crossroads of radicalism and technology. Our enemies have openly declared that they are seeking weapons of mass destruction...The United States will not allow these efforts to succeed. We will cooperate with other nations to deny, contain, and curtail our enemies' efforts to acquire dangerous technologies. And, as a matter of common sense and self-defense, America will act against such emerging threats before they are fully formed.<sup>47</sup>

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<sup>46</sup> Friedberg, "United States," 29.

<sup>47</sup> *National Security Strategy of the United States*, Introduction.

With the WOT in Asia actively being fought in Afghanistan and with U.S. troops being deployed to Central and Southeast Asia in support of the WOT, the United States reordered its strategic priorities in Asia. The new NSS 2002 supported the changed U.S. strategic priorities in Asia by elevating the importance of destroying terrorist organizations and the states that sponsored them above containment of nation-states that were strategic competitors. Moreover, concerns that rogue states would provide terrorist organizations with WMD technology became a higher priority than they were before September 11, 2001.

This meant that concerns about North Korean WMD development and potential transfer to U.S. adversaries was elevated as a strategic concern of the administration. In October 2002, when U.S. intelligence revealed that the DPRK possessed a clandestine nuclear program outside the 1994 agreed framework,<sup>48</sup> the Bush Administration became even more convinced that North Korea represented a greater threat to U.S. interests than a growing PRC. Moreover, the willingness of the administration to seek cooperation from the PRC in the U.S. WOT in Asia and in dealing with the North Korean nuclear program demonstrated the willingness of the administration to engage with the PRC over regional issues.<sup>49</sup>

The placing of the U.S. WOT in Asia and North Korean WMD development above U.S.-China relations did not, however, have a substantial impact on U.S. China policy. It merely reduced the U.S. emphasis on containing growing

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<sup>48</sup> "Closing Pandora's Box," *The Economist*, January 4-10, 2003, 30.

<sup>49</sup> "Bush Presses China for Help in Dealing with North Korea," *Wall Street Journal*, February 7, 2003.

Chinese power. Moreover, as a result of the attacks of September 11, Washington and Beijing found common ground for cooperation through intelligence exchanges and diplomatic pressure on terrorist organizations, where it met the interests of both nations. As the NSS 2002 states:

The United States seeks a constructive relationship with a changing China. We already cooperate well where our interests overlap, including the current war on terrorism and in promoting stability on the Korean peninsula. Likewise, we have coordinated on the future of Afghanistan and have initiated a comprehensive dialogue on counter terrorism and similar transnational concerns.<sup>50</sup>

The cooperation between the United States and the PRC came as a result of the two nations benefiting from mutual assistance in certain areas and was not the result of a change in the relationship. U.S. strategic priorities changed in the wake of September 11, but PRC priorities did not. The new national security strategy merely provided a framework for the new strategic priorities of the United States in reaction to the September 11 attacks. It did not substantially alter U.S. relations with other countries. Some analysts, such as Michael Hirsch of *Newsweek*, contend, "The Bush doctrine has been used to justify a new assertiveness abroad unprecedented since the early days of the Cold War - amounting nearly to the declaration of American hegemony - and it has redefined U.S. relationships around the world."<sup>51</sup> This overstates the case. Hegemony comes from actions, not through statements, and

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<sup>50</sup> *National Security Strategy of the United States*, 27.

<sup>51</sup> Michael Hirsh, "Bush and the World," *Foreign Affairs* 81 no. 5, September/October 2002, 19.

relationships are redefined only if both parties in a relationship agree to the redefinition.

The attacks of September 11 did not alter the relationship between the United States and the PRC, but merely reduced the tensions between the two nations. The United States in the wake of the attacks rearranged its strategic priorities in Asia, elevating more immediate threats to its strategic interests above the potential threat of the PRC. The United States did not have the resources to fight all of its adversaries, everywhere and simultaneously, and so it had to prioritize threats to its interests. In the post-September 11 U.S. security framework, the PRC could no longer be considered the primary adversary of the United States in Asia and was therefore reduced in importance among U.S. strategic priorities. The relationship between the United States and the PRC as a result of the attacks on September 11, 2001 was therefore relatively unchanged, remaining strained where strategic priorities conflicted, and cooperative where interests aligned.

## **IV U.S.-CHINA RELATIONS SINCE SEPTEMBER 11, 2001**

### **A. INTRODUCTION**

In the aftermath of the attacks of September 11, 2001, relations between the United States and the PRC became a less important strategic priority for the United States. The advent of the WOT in reaction to the attacks changed the focus of U.S. national security. All international relations that were not centered on the prosecution of the U.S. WOT and the containment of WMD became lesser concerns for the Bush administration. The September 11 attacks did not affect the PRC and therefore did not alter its strategic priorities. Although the United States and the PRC demonstrated their willingness to cooperate in the WOT, the nature of the relationship between the two countries was not fundamentally affected for the long-term. They merely cooperated where the interests of both countries were served, and they continued business as usual over other issues in the relationship.

### **B. NOT A NEW RELATIONSHIP**

After the attacks of September 11, 2001, many policy analysts suggested that the event created an opportunity to forge a new relationship between the United States and China. Catharin E. Dalpino of the Brookings Institution contended:

The terrorist attack against the United States last week is a defining moment in the post-Cold War world and a test of US relations with the major powers of nearly every region. It is also an opportunity to recast Sino-US relations and

move them beyond years of dispute and underlying malaise.<sup>52</sup>

Bonnie S. Glaser of the Center for Strategic and International Studies (CSIS) stated that "the September 11 terrorist attacks on the World Trade Center and the Pentagon provided a new strategic focus for U.S.-China relations."<sup>53</sup> Statements such as these were based on the hope that the PRC, along with the international community would react unanimously to fight terrorism and in the process would dispel with their differences over other issues. In reality, this proved a false hope.

The PRC initially showed support for the United States after the September 11 attacks in words and deeds, going so far as to not challenge U.S. plans for a military response against Al Qaeda and the Taliban. As Michael Szonyi of the Canadian Security Intelligence Service summarizes, "the Chinese position on military action against Al Qaida and Afghanistan was fairly consistent through September and early October. Somewhat surprisingly, given China's previous uncompromising stand on U.S. military action abroad, China did not condemn American plans in advance."<sup>54</sup>

The PRC, normally reluctant to support any U.S. use of force not authorized by the United Nations, did not openly challenge the U.S. response to September 11. However, it would be a mistake to interpret the Chinese response as a

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<sup>52</sup> Catherin E. Dalpino, "Beijing's Chance to Forge True Alliance," *South China Morning Post*, September 19, 2001, [<http://www.brook.edu/views/op-ed/dalpino/20010918.htm>].

<sup>53</sup> Bonnie S. Glaser, "Terrorist Strikes Give U.S.-China Ties a Boost," *Comparative Connections*, Pacific Forum CSIS, 3<sup>rd</sup> Quarter, 2001, 1, [[http://www.csis.org/pacfor/cc/0103Qus\\_china.html](http://www.csis.org/pacfor/cc/0103Qus_china.html)].

<sup>54</sup> Michael Szonyi, "The Effects of September 11 and its Aftermath on China, and the Chinese Response," 2-3.



strategic alignment with the United States. Rather, the PRC calculated that it would serve its own interests to support the United States until such support proved counterproductive. The PRC greatly valued its relationship with the United States, especially as a trading partner, and sought to use the aftermath of the September 11 attacks to rearrange Washington's strategic priorities, replacing containment of the PRC with the WOT. Moreover, Beijing's long-term goal of increasing its international prestige required that it be seen as a participant in the international reaction to the terrorism crisis. As Michael Szonyi concludes:

9/11 and its aftermath could also serve China's interests if terrorism displaced China as the greatest perceived threat to the US. Support for the US also gave China a chance to further demonstrate its position as a responsible member of the leading nations of the world...ultimately, the Chinese leadership determined that the opportunities of offering the US support outweighed the risks.<sup>55</sup>

U.S. strategic priorities in Asia did shift from being most concerned with the PRC as a strategic competitor, to fighting the WOT. However, the PRC's strategic priorities did not change and frictions in Sino-U.S. relations were not mitigated by the U.S. strategic shift. The lowering of the PRC as a strategic threat to the United States did not resolve the most serious bilateral conflicts between the two nations. Therefore, the nature of the relationship did not change as a result of September 11, 2001. Rather, both nations subordinated the more contentious aspects of their relationship to achieve relative strategic gains from the

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<sup>55</sup> Ibid., 4.

WOT. Broader strategic interests continued to influence Sino-U.S. relations.

### **C. THE WAR ON TERROR**

The United States and the PRC came to view the U.S. WOT in Asia as both an opportunity for cooperation and another issue over which relations might become strained. As David M. Lampton writes, "security cooperation will be limited because important constituencies in each nation remain skeptical of the other's long-term intentions. Both sides are uncertain about which forms of cooperation would serve its interests."<sup>56</sup>

The balance of power in Asia shifted even more in favor of the United States than prior to the WOT because of the Bush Administration's focus on defeating the Taliban regime and undermining Al Qaeda control in Afghanistan. U.S. influence increased in Pakistan and India and a previously non-existent U.S. military presence took root in several former-Soviet Central Asian Republics. China viewed this increased U.S. presence and influence in the region as a strategic loss. The PRC through the SCO had been intent on gaining greater influence and economic advantage in Central Asia in the vacuum created by the Soviet withdrawal. The increased U.S. presence because of the WOT put a halt to this effort. However, the PRC sought to capitalize on a potential strategic gain by using the backdrop of the U.S. WOT in Asia as a mechanism to facilitate greater crackdowns on separatist groups in the XUAR.<sup>57</sup> Cooperation between the United States and China in

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<sup>56</sup> David M. Lampton, "Small Mercies," 106.

<sup>57</sup> Niklas Swanstrom, "China and Xinjiang After September 11," *NIAS Information Gateway to ASEM in Asia*, 14, [<http://www.niaslinc.dk/Gateways/ASEM>], December 4, 2002.

the WOT therefore became complicated by the U.S. desire for Chinese assistance, balanced against U.S. concerns about human rights in China.

The United States did not sign off on allowing the Chinese *carte blanche* in dealing with its minority populations in the XUAR as terrorist threats. In August 2002 the United States put the East Turkestan Islamic Movement on its list of terrorist organizations<sup>58</sup>. However, rather than showing overt support for a Chinese crackdown on all Uighurs in Xinjiang, the United States recognized that there were organizations that could be condemned for using violence in pursuit of their goals and others that were legitimate political entities.

The WOT did not merely create an opportunity for greater cooperation between the United States and China, but also reduced tensions between the two countries by displacing the PRC as the greatest perceived threat to the United States. The PRC became wary of U.S. intentions in the WOT because of differences between Beijing and Washington over other issues in Asia. Moreover, Beijing was concerned that if the United States were allowed to go unchallenged into Afghanistan and establish bases in Central and Southeast Asia, it might also consider the possibility of a U.S. military action against North Korea or in defense of Taiwan.

Concerns over the increased U.S. influence in Asia as a result of the WOT, caused the PRC to continue to act as a balance against U.S. hegemony where possible. The PRC

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<sup>58</sup> "East Turkestan Islamic Movement," *Terrorism: Q & A* Council on Foreign Relations, [<http://www.terrorismanswers.com/groups/etim.html>], December 4, 2002, 1.

strategy concentrated on maintaining amicable relations with the United States, avoiding conflict, and enhancing trade relations, but also sought to limit U.S. strategic advances where possible. In keeping with this strategy, the PRC has been uncooperative in assisting the United States in efforts that NSS 2002 clearly ties to the WOT.

#### **D. NORTH KOREA**

In February of 2003, the PRC refused an administration request to assist in settling tensions on the Korean peninsula caused by the intransigence of the North Korean leadership. President Bush, in an effort to act multilaterally in East Asia, directly asked the PRC to engage in talks with North Korea and to use its influence to reduce tensions on the peninsula. The PRC refused, insisting that the United States take a unilateral approach and engage North Korea directly.<sup>59</sup> This was a departure from the normal support the PRC shows for multilateralism. However, it was a strategically sound approach and fit with the PRC's strategic priorities.

The PRC seeks to challenge U.S. hegemony in Asia. With the United States making strategic gains in Central, South and Southeast Asia because of the WOT, the PRC benefits from Washington suffering strategic setbacks. The more of a distraction that North Korea becomes to the United States, the less leeway Washington has in acting without concern in Iraq, Afghanistan or elsewhere. Moreover, the PRC does not want to see North Korea disintegrate. If North Korea did collapse, refugees would stream into the PRC, weakening its economy. South Korea, a major trading partner with the PRC,

<sup>59</sup> "China Brushes Aside Request By U.S. on North Korea Crisis," *Wall Street Journal Online*, [<http://www.online.wsj.com>], February 11, 2003, 1.

would be overburdened financially by rebuilding the North. Therefore, the PRC gains strategically from a North Korea that remains a security challenge for Washington. However, fearing the strategic response from Washington, Seoul and Tokyo, the PRC may fall well short of endorsing a nuclear North Korea.

#### **E. IRAQ**

The PRC has also been unhelpful to the United States in its position on disarming Iraq. The PRC has favored the position of the French and Russian governments to give inspectors an open-ended commitment to containing Iraq's WMD program.<sup>60</sup> The PRC challenges the U.S. position on Iraq for strategic reasons. Primarily China sees its role in the U.N. Security Council as blunting U.S. hegemony and unilateral intervention in a sovereign country. If Beijing did not challenge the U.S. position over Iraq, that might create a strategic opening for the potential U.S. use of force against North Korea or in defense of Taiwan. Moreover, the PRC supports the consensus of the majority of state actors in the international system as a mechanism to increase its prestige with more countries. Beijing also supports the anti-U.S. position over Iraq for security reasons. The PRC has no interest in seeing the United States control Middle Eastern oil at a time when China is increasing its oil imports from the region.<sup>61</sup> Additionally, the PRC does not want to anger Russia unnecessarily. Russia has extensive business contracts with Iraq and views Iraq as a former client state. Should the PRC side with the

<sup>60</sup> "Chinese Paper Says U.S. Has No Reason to Launch Imminent Attack on Iraq," *Xinhua News Agency*, February 18, 2003, 1, [<http://www.xinhuanet.com>], February 18, 2003.

<sup>61</sup> Mamdough G. Salameh, "China, Oil, and the Risk of Regional Conflict," *Survival* 37, 4, Winter, 1995-96, 133-46.

United States over Iraq policy Russia may be more reluctant to sell the PRC the weapons it requires for its military modernization program.

#### **F. TAIWAN**

Taiwan has the potential to be the most destabilizing issue in U.S.-China relations. The PRC views Taiwan as an internal matter that it seeks to deal with without foreign interference. Beijing views U.S. support for Taiwan through the TRA as meddling in its internal affairs. If tensions over the Taiwan issue increase substantially, it would have serious repercussions for U.S.-China relations. As Hu Jintao, vice-president of the PRC stated:

The question of Taiwan has always been the most important and sensitive issue at the heart of China-U.S. relations. Properly handling this question is the key to promoting our constructive and cooperative relations. If any trouble occurs on the Taiwan question, it would be difficult for China U.S. relations to move forward, and a retrogression may even occur.<sup>62</sup>

The United States and the PRC remain at an impasse over Taiwan. Tensions have been reduced since the Bush Administration made it clear that it was not taking a stronger stand over Taiwan. However, as long as the U.S. adheres to the TRA and demonstrates a willingness to deploy forces to the Taiwan Straits if tensions occur, as in 1996, the potential will exist for a U.S.-China conflict over Taiwan.

#### **G. HEGEMONY**

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<sup>62</sup> Vice President Hu Jintao, "Enhanced Mutual Understanding and Trust Towards a Constructive and Cooperative Relationship Between China and the United States," *Embassy of the People's Republic of China in the United States of America*, May 1, 2002, 3, [<http://www.china-embassy.org>], February 11, 2003.

The United States and the PRC view the world differently and therefore have developed different strategic concepts. Both nations seek to balance power in Asia and to achieve relative strategic gains. Yet both nations seek to achieve their strategic goals through different means. Since the end of World War II, the United States has sought to challenge the advance of potential adversaries by forward deploying forces. The U.S. NSS 2002 endorses a continuance of this strategic approach:

The presence of American forces overseas is one of the most profound symbols of the U.S. commitments to allies and friends. Through our willingness to use force in our own defense and in defense of others, the United States demonstrates its resolve to maintain a balance of power that favors freedom.<sup>63</sup>

The Chinese see the forward basing of U.S. forces as an attempt by the United States to advance its hegemony in Asia. The WOT, in the Chinese view, is merely another opportunity to enhance the U.S. encirclement of China. As H. Lyman Miller describes, "...Washington's conduct of the war on terrorism has given it new strategic assets and military relationships in Asia that, Beijing fears, may be used in the long term to contain China itself."<sup>64</sup>

The PRC's dissatisfaction with U.S. hegemony is predicated on the notion that China has different ideas about Asia and Asian security. As David M. Lampton states, "America feels most comfortable in a leadership role, and China prefers an international system in which power is

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<sup>63</sup> *National Security Strategy of the United States*, 29.

<sup>64</sup> Miller, "Beijing and the American War on Terrorism," 2.

more dispersed.”<sup>65</sup> Although the PRC regards the U.S. military presence in Asia as a stabilizing influence, Beijing is still suspicious of U.S. motives. The National Defense Policy of the PRC displays Beijing’s attitude towards hegemonistic forces when it states:

China will never seek hegemony, nor will it join any military bloc or crave for any sphere of influence. China opposes policies of war, aggression and expansion, stands against arms race (sic) and supports efforts of the international community to solve international disputes in a fair and reasonable manner.<sup>66</sup>

Of course, the PRC has been willing on several occasions to use force in pursuit of its interests, receives weapons from abroad, is conducting its own military modernization, and has proliferated missile and WMD technology. Regardless of these inconsistencies, it sticks to the philosophy of anti-hegemony because it does not have the power to carry out hegemony itself and it fears being pressured by foreign powers. Moreover, Beijing’s concept of international power and influence is different than that of the United States. As David Lampton comments:

Washington clearly has global interests, whereas currently Beijing is a regional power with mounting influence in the world. Beijing tends to view its interest on a country-by-country basis and from a regional perspective, although this is changing as China’s economic and security interests expand.<sup>67</sup>

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<sup>65</sup> David M. Lampton, *Same Bed Different Dreams*, Berkeley: University of California Press, 2001, 76.

<sup>66</sup> China’s National Defense 2002, II.

<sup>67</sup> Lampton, *Same Bed Different Dreams*, 80.



If the PRC had the ability to challenge the United States economically and militarily in Asia, it would. However, the PRC has years of domestic economic reforms ahead of it before it will be close to the United States in economic might. Moreover, the PRC will not be a major military threat to U.S. interests in Asia for years to come. Therefore, the PRC has adopted an approach towards the United States that seeks to maximize the benefits of cooperation, such as in the area of trade, and confront U.S. hegemony and power where it sees a strategic gain from such an approach. The attacks of September 11, 2001 did not change this calculus for China. The grand new era of Sino-U.S. relations has not yet arrived. Relations between the two powers remain relatively unchanged since the terrorist attacks of 2001 on the United States and will likely remain so for the near future.

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## **V. CONCLUSION: U.S.-CHINA RELATIONS GOING FORWARD**

U.S.-China relations were largely unaffected by the attacks of September 11, 2001. The relationship, however, has been stabilized by the change in U.S. strategic priorities in Asia. The PRC will remain primarily concerned with building its domestic infrastructure while the United States continues to expand its influence and presence in Asia. As long as the expanding United States presence in Asia is not seen as an immediate threat to Chinese interests, the PRC is likely to favor stable relations with the United States.

U.S.- China relations are heavily influenced by trade and economic factors. According to a Congressional Research Service Report, total trade between the United States and China rose from \$4.8 billion in 1980 to \$142 billion in 2002, making China the 4<sup>th</sup> largest U.S. trading partner.<sup>68</sup> The PRC would like to continue to attract foreign direct investment from U.S. companies, and U.S. companies want to expand their sales to and operations in China. Business lobbies in both countries are strong and will continue to ensure that trade relations expand. However, economic interactions between the United States and China are not immune to differences over national security. Should a serious disagreement develop over an international issue of great import to either nation, there is liable to be a negative effect on the relationship.

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<sup>68</sup> Wayne M. Morrison, "China -U.S. Trade Issues," *Issue Brief for Congress*, January 3, 2003, CRS-1.

All things being equal, U.S.-China relations should be stable into the near future, unless they are upset over an issue having serious import for national security concerns for both countries. Disputes over such issues as the disposition of Iraq or Afghanistan will have less of an effect on U.S.-China relations than would a dispute over the Korean peninsula or Taiwan. However, the PRC has to understand that the comprehensive nature of NS 2002 may make the United States adjust its policies towards China if Beijing is seen as being obstructionist in areas that the United States regards as part of the WOT. If China vetoes an additional resolution calling for the use of force in Iraq, the Bush administrations may take a tougher line on Taiwan. If the PRC continues not to assist the United States in easing tensions in Korea, the United States may move closer to Japan or accelerate theatre missile defense for Japan and perhaps Taiwan.

Likewise, Washington must understand Beijing's limits and be careful not to miscalculate over issues China deems to be core strategic priorities. China will go to war over Taiwan, and might go to war over Korea. The Chinese are a people that have suffered great hardship in their history and they would be willing to do so over issues that they believe to be important enough to sacrifice for. Beijing prefers not to engage the United States in a military confrontation if that can be avoided. Economic development is its foremost priority and its strategic priorities remain regime stability, territorial integrity and the desire for international prestige and power.

It is in the best interest of all parties that there be no major conflict in Asia. Yet, the Chinese have made it very clear that they will fight over Taiwan. Moreover, if the Korean peninsula is destabilized because of Northern aggression, U.S. forces may find themselves in the same position they were in 1950, too close for Beijing's comfort to the Chinese border. If there is a war on the Korean peninsula, the Chinese will have seriously to weigh the causes before deciding to intervene. The United States will definitely defend the South and it is not clear if China wants to face the U.S. in a second Korean war.

Chinese ambitions in Asia have always been centered on China proper and its immediate periphery. However, one must question whether this will continue to be the tendency as China grows economically and modernizes its military forces. The United States was once an isolationist country reluctant to get into entangling relationships and foreign adventures, yet today the United States has a large overseas military presence. It might take very little prodding to get China to adopt a more aggressive approach to spreading its influence over East Asia. If the United States were to pull out of Asia, destabilizing forces that China deems undesirable might fill the void. China would then try to implement a Pax Sinica enforced by military power. At the very least, regional competition over influence might force the Chinese take a bolder stance than they would if the U.S. armed forces remained in the neighborhood.

Relations between the United States and China can remain smooth only if both nations understand each other's

strategic priorities. Moreover, every effort must be made to accommodate the other side when doing so does not result in a self-inflicted strategic loss. The U.S. WOT will remain the top U.S. national security priority in Asia closely followed by WMD development in North Korea. The focus on these issues will affect all other issues in U.S.-China relations. If China obstructs U.S. efforts to carry out policies to deal with its top priorities in Asia, there may be serious repercussions from Washington. Likewise, if the United States does not take into account China's strategic priorities, U.S.-PRC relations may suffer. The challenge is for both nations to find a common ground in cooperating in the WOT and expanding U.S.-China trade, while not challenging each other's core strategic interests.

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